



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Investment Account Disclosure

MEETING DATE: August 5, 1998

PREPARED BY: Deputy Treasurer

RECOMMENDED ACTION:

That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION:

The investment report is currently included in the monthly executive report distributed to Council.

SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of

Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

Ruby R. Paite
Vicky McAthie *for*
Finance Director/Treasurer

APPROVED: _____

H. Dixon Flynn
H. Dixon Flynn -- City Manager

07/10/1998

City of Lodi
PORTFOLIO MASTER SUMMARY
JUNE 30, 1998

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ACCRUAL

INVESTMENTS	BOOK VALUE	PERCENT OF PORTFOLIO	AVERAGE TERM	AVERAGE DAYS TO MATURITY	---YIELD TO MATURITY---	
					360 EQUIVALENT	365 EQUIVALENT
Local Agency Investment Funds.....	\$ 26,599,000.00	83.95	1	1	5.595	5.673
Certificates of Deposit - Bank.....	\$ 1,300,000.00	4.10	366	163	5.049	5.119
Passbook/Checking Accounts.....	\$ 283,547.61	0.89	1	1	0.567	0.575
Federal Agency Issues - Coupon.....	\$ 3,500,288.46	11.05	1,146	1,044	6.045	6.129

TOTAL INVESTMENTS and AVERAGES.....	\$ 31,682,836.07	100.00%	142	123	5.578%	5.655%
=====						
CASH						
Passbook/Checking - No Yield Totals.....	\$ 0.00				0.000	0.000
(not included in yield calculations)						
Accrued Interest at Purchase.....	\$ 1,170.56					

TOTAL CASH and PURCHASE INTEREST.....	\$ 1,170.56					
=====						
TOTAL CASH and INVESTMENTS.....	\$ 31,684,006.63					
=====						
TOTAL EARNINGS	MONTH ENDING		FISCAL		FISCAL	
	JUNE 30		YEAR TO DATE		YEAR ENDING	
Current Year	\$	147,488.35	\$	1,320,006.43	\$	1,320,006.43
AVERAGE DAILY BALANCE	\$	31,655,501.80	\$	24,589,099.62		
EFFECTIVE RATE OF RETURN		5.67%		5.37%		

M. Maxine Cadwallader
Maxine Cadwallader
Deputy Treasurer

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next three to six months. Union Bank of California is the source of market valuation.

7-10-98
DATE

07/10/1998

City of Lodi
INVESTMENT PORTFOLIO DETAILS - INVESTMENTS
JUNE 30, 1998

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ACCRUAL

INVESTMENT NUMBER	ISSUER	AVERAGE BALANCE	PURCHASE DATE	BOOK VALUE	FACE VALUE	MARKET VALUE	STATED RATE	--- 360	YTM 365	MATURITY DATE	DAYS TO MAT
LOCAL AGENCY INVESTMENT FUNDS											
1000	Local Agency Invest. Fund			13,300,000.00	13,300,000.00	13,300,000.00	5.673	5.595	5.673		1
1001	Local Agency Inv Fund (LPIC			13,299,000.00	13,299,000.00	13,299,000.00	5.673	5.595	5.673		1
SUBTOTALS and AVERAGES		26,682,433.33		26,599,000.00		26,599,000.00		5.595	5.673		1
CERTIFICATES OF DEPOSIT - BANK											
2075	Central Sierra Bank		09/15/97	100,000.00	100,000.00	100,000.00	4.300	4.300	4.360	09/15/98	76
2072	Farmers and Merchants Bank		12/20/97	1,000,000.00	1,000,000.00	1,000,000.00	5.050	5.050	5.120	12/21/98	173
2062	Bank of Lodi		10/24/97	100,000.00	100,000.00	100,000.00	5.200	5.200	5.272	10/26/98	117
2071	Stockton Savings Bank		01/09/98	100,000.00	100,000.00	100,000.00	5.640	5.640	5.718	01/11/99	194
SUBTOTALS and AVERAGES		1,300,000.00		1,300,000.00		1,300,000.00		5.049	5.119		163
PASSBOOK/CHECKING ACCOUNTS											
4003	Bank of America			138,064.47	138,064.47	138,064.47	0.000	0.000	0.000		1
4000	Farmers & Merchants			145,483.14	145,483.14	145,483.14	1.120	1.105	1.120		1
SUBTOTALS and AVERAGES		272,798.43		283,547.61		283,547.61		0.567	0.575		1
FEDERAL AGENCY ISSUES - COUPON											
8010	Feredal Home Loan Bank (cal 11/24/97			500,000.00	500,000.00	500,470.00	6.120	6.036	6.120	11/24/00	877
8011	Feredal Home Loan Bank (cal 12/22/97			500,000.00	500,000.00	500,705.00	6.145	6.145	6.230	12/22/00	905
8012	Feredal Home Loan Bank (cal 02/12/98			500,000.00	500,000.00	498,595.00	6.000	6.000	6.083	02/12/01	957
8013	Feredal Home Loan Bank (cal 05/06/98			1,000,000.00	1,000,000.00	997,500.00	6.060	6.060	6.144	11/06/01	1,224
8014	Fannie Mae callable note 06/04/98			1,000,288.46	1,000,000.00	998,440.00	6.020	6.008	6.091	05/25/01	1,059
SUBTOTALS and AVERAGES		3,400,270.03		3,500,288.46		3,495,710.00		6.045	6.129		1,044
TOTAL INVESTMENTS and AVG.											
		31,655,501.80		\$ 31,682,836.07		31,678,257.61		5.578%	5.655%		123

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City of Lodi
 PORTFOLIO MASTER INVESTMENT ACTIVITY BY TYPE
 JUNE 1, 1998 - JUNE 30, 1998

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 ACCRUAL

TYPE	INVESTMENT #	ISSUER	STATED RATE	TRANSACTION DATE	PURCHASES OR DEPOSITS	SALES/MATURITIES OR WITHDRAWALS	BALANCE

LOCAL AGENCY INVESTMENT FUNDS (Monthly Summary)							
	1000	Local Agency Invest. Fund	5.673		1,300,000.00		
	1001	Local Agency Inv Fund (LPIC)	5.673			2,501,000.00	
SUBTOTALS and ENDING BALANCE					1,300,000.00	2,501,000.00	26,599,000.00
CERTIFICATES OF DEPOSIT - BANK							
							1,300,000.00
PASSBOOK/CHECKING ACCOUNTS (Monthly Summary)							
	4003	Bank of America	0.000		2,143,222.49	2,148,538.92	
	4000	Farmers & Merchants	1.120		8,488,467.95	8,472,031.68	
SUBTOTALS and ENDING BALANCE					10,631,690.44	10,620,570.60	283,547.61
FEDERAL AGENCY ISSUES - COUPON							
	8014	Fannie Mae callable note	6.020	06/04/1998	1,000,312.50		3,500,288.46

TOTALS					12,932,002.94	13,121,570.60	31,682,836.07
=====							

City of Lodi
INVESTMENT ACTIVITY SUMMARY
JUNE 1997 through JUNE 1998

MONTH END	YEAR	NUMBER OF SECURITIES	TOTAL INVESTED	YIELD TO MATURITY		MANAGED	NUMBER OF	NUMBER OF	AVERAGE TERM	AVERAGE DAYS TO MATURITY
				360 EQUIV	365 EQUIV	POOL RATE	SECURITIES PURCHASED	SECURITIES MATURED/SOLD		
June	97	11	23,086,452.68	5.463	5.539	5.634	0	0	150	79
July	97	11	23,451,528.53	5.322	5.396	5.630	0	0	148	72
August	97	10	22,984,395.13	5.270	5.343	5.630	0	1	149	67
September	97	10	23,757,904.15	5.164	5.235	5.690	1	1	107	31
October	97	10	21,669,355.71	5.182	5.254	5.707	1	1	118	31
November	97	10	19,024,926.06	5.342	5.416	5.705	1	1	93	59
December	97	11	19,004,586.78	5.166	5.238	5.715	2	1	122	102
January	98	10	17,905,056.75	5.228	5.300	5.744	1	2	89	82
February	98	11	21,046,232.65	5.309	5.382	5.742	1	0	102	92
March	98	11	20,368,419.55	5.106	5.177	5.720	0	0	105	91
April	98	11	33,918,084.92	5.407	5.483	5.680	0	0	63	53
May	98	12	31,872,427.77	5.565	5.643	5.672	1	0	108	92
June	98	13	31,682,836.07	5.578	5.655	5.673	1	0	142	123
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AVERAGES		11 \$	23,828,631.29	5.315%	5.389%	5.688%	1	1	115	75

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City of Lodi
DISTRIBUTION OF INVESTMENTS BY TYPE
JUNE 1997 through JUNE 1998

MONTH	TYPES OF INVESTMENTS													
END	YEAR	LA1	BCD	SCD	PA1	BAC	CPI	COM	RPA	FAC	FAD	TRC	TRD	GN1
June	97	78.0	5.6		3.4					8.7		4.3		
July	97	74.9	5.5		6.8					8.5		4.3		
August	97	74.4	5.2		7.3					8.7		4.4		
September	97	75.3	5.5		10.8					4.2		4.2		
October	97	74.1	6.0		10.7					4.6		4.6		
November	97	78.8	6.8		6.4					7.9				
December	97	72.6	6.8		10.0					10.5				
January	98	78.4	7.3		8.7					5.6				
February	98	79.5	6.2		7.2					7.1				
March	98	74.8	6.4		11.4					7.4				
April	98	87.2	3.8		4.6					4.4				
May	98	87.2	4.1		0.9					7.8				
June	98	84.0	4.1		0.9					11.1				
AVERAGES		78.4%	5.6%		6.9%					7.4%		1.7%		

LA1 - Local Agency Investment Funds
SCD - Certificates of Deposit - S & L
BAC - Bankers Acceptances
COM - Commercial Paper - Discount
FAC - Federal Agency Issues - Coupon
TRC - Treasury Securities - Coupon
GN1 - Mortgage Backed Securities

BCD - Certificates of Deposit - Bank
PA1 - Passbook/Checking Accounts
CPI - Commercial Paper - Interest Bearing
RPA - Repurchase Agreements
FAD - Federal Agency Issues - Discount
TRD - Treasury Securities - Discount

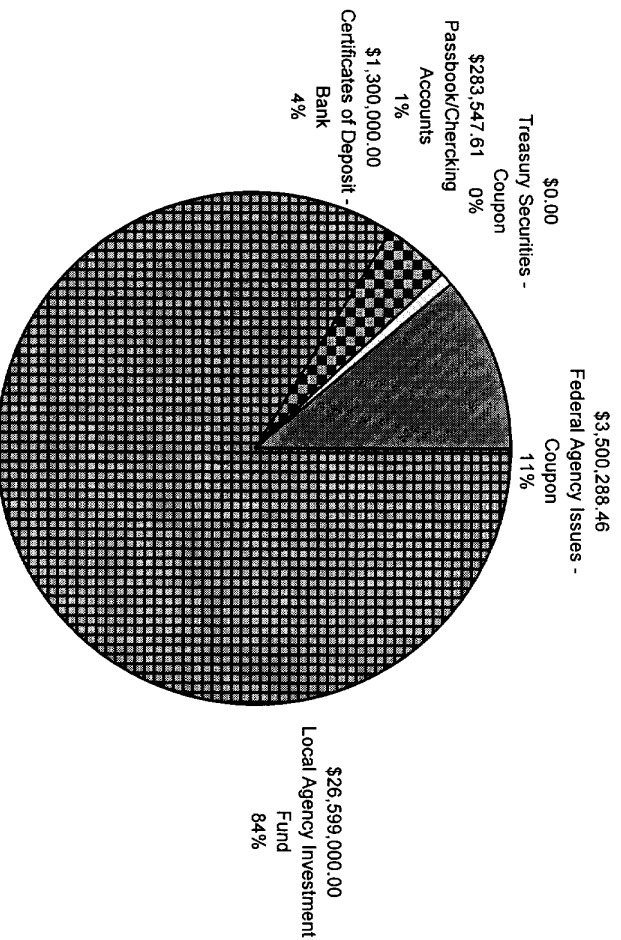
City of Lodi
INTEREST EARNINGS SUMMARY
JUNE 30, 1998

	MONTH ENDING JUNE 30, 1998	FISCAL YEAR TO DATE
CD/Coupon/Discount Investments:		
Interest Collected	\$ 16,666.89	\$ 210,409.53
PLUS Accrued Interest at End of Period	43,446.10	43,446.10
LESS Accrued Interest at Beginning of Period	(37,133.14)	(53,582.63)
	-----	-----
Interest Earned during Period	\$ 22,979.85	200,273.00
	=====	=====
ADJUSTED by Premiums and Discounts	-24.04	567.47
ADJUSTED by Capital Gains or Losses	0.00	0.00
	-----	-----
Earnings during Period	22,955.81	\$ 200,840.47
	=====	=====
Mortgage Backed Securities:		
Interest Collected	\$ 0.00	\$ 0.00
PLUS Accrued Interest at End of Period	0.00	0.00
LESS Accrued Interest at Beginning of Period	(0.00)	(0.00)
	-----	-----
Interest Earned during Period	\$ 0.00	0.00
	=====	=====
ADJUSTED by Premiums and Discounts	0.00	0.00
ADJUSTED by Capital Gains or Losses	0.00	0.00
	-----	-----
Earnings during Period	0.00	\$ 0.00
	=====	=====
Cash/Checking Accounts:		
Interest Collected	\$ 907.95	\$ 1,011,799.26
PLUS Accrued Interest at End of Period	399,579.07	399,579.07
LESS Accrued Interest at Beginning of Period	(275,954.48)	(292,212.37)
	-----	-----
Interest Earned during Period	\$ 124,532.54	\$ 1,119,165.96
	=====	=====
TOTAL Interest Earned during Period	\$ 147,512.39	\$ 1,319,438.96
TOTAL Ajustments from Premiums and Discounts	\$ -24.04	\$ 567.47
TOTAL Capital Gains or Losses	\$ 0.00	\$ 0.00
	-----	-----
TOTAL Earnings during Period	\$ 147,488.35	\$ 1,320,006.43
	=====	=====

BREAKDOWN OF TREASURY INVENTORY BY TYPE

June 1998

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$26,599,000.00	83.953974%	Indefinite
Certificates of Deposit - Bank	\$1,300,000.00	4.103168%	5 years
Passbook/Chercking Accounts	\$283,547.61	0.894957%	Indefinite
Treasury Securities - Coupon	\$0.00	0.000000%	5 years
Federal Agency Issues - Coupon	\$3,500,288.46	11.047901%	5 years
	\$31,682,836.07	100.00%	



■ \$26,599,000.00 Local Agency Investment Fund	■ \$1,300,000.00 Certificates of Deposit - Bank	□ \$283,547.61 Passbook/Chercking Accounts
■ \$0.00 Treasury Securities - Coupon	■ \$3,500,288.46 Federal Agency Issues - Coupon	

POOLED MONEY INVESTMENT ACCOUNT

SUMMARY OF INVESTMENT DATA

A COMPARISON OF MAY 1998 WITH MAY 1997

(Dollars in Thousands)

	MAY 1998	MAY 1997	CHANGE
Average Daily Portfolio	\$33,209,724	\$29,650,040	+ \$3,559,684
Accrued Earnings	\$160,000	\$141,871	+ \$18,129
Effective Yield	5.673	5.634	+ .039
Average Life—Month End (in days)	191	212	- 21
Total Security Transactions			
Amount	\$12,598,105	\$13,994,820	-\$1,396,715
Number	302	330	-28
Total Time Deposit Transactions			
Amount	\$590,500	\$372,200	+ \$218,300
Number	31	25	+6
Average Workday Investment Activity	\$659,430	\$684,144	-\$24,714
Prescribed Demand Account Balances			
For Services	\$163,885	\$137,672	+ \$26,213
For Uncollected Funds	\$234,382	\$219,037	+ \$15,345

LOCAL AGENCY INVESTMENT FUND*

SUMMARY OF ACTIVITY

MAY 1998

BEGINNING BALANCE	DEPOSITS	WITHDRAWALS	MONTH END BALANCE
\$11,969,083,529.82	\$1,037,459,063.88	\$1,044,339,513.42	\$11,962,203,080.28

*Local Agency Investment Fund Invested Through Pooled Money Investment Account

Fair Value Report

SAMPLE

State of California Pooled Money Investment Account Market Valuation 4/30/98				
Description	Carrying Cost Plus Accrued Interest Purch.	Amortized Cost	Fair Value	Accrued Interest
United States Treasury:				
Bills	\$ 2,611,189,781.00	\$ 2,664,717,736.04	\$ 2,666,575,499.96	NA
Strips	\$ 73,184,450.00	\$ 94,822,450.72	\$ 94,814,850.00	NA
Notes	\$ 4,784,934,866.37	\$ 4,784,934,866.37	\$ 4,788,601,800.00	\$ 66,295,031.09
Federal Agency:				
Bonds	\$ 1,686,013,619.91	\$ 1,686,013,619.91	\$ 1,685,492,692.30	\$ 21,449,036.90
Floater	\$ 170,000,000.00	\$ 170,000,000.00	\$ 169,887,300.00	\$ 2,015,980.40
MBS	\$ 135,914,312.02	\$ 135,914,312.02	\$ 136,290,320.63	\$ 801,554.70
GNMA	\$ 2,395,191.15	\$ 2,395,191.15	\$ 2,748,674.57	\$ 23,668.91
SBA	\$ 220,962,834.51	\$ 220,962,834.51	\$ 222,679,651.58	\$ 2,210,760.58
FHLMC PC	\$ 23,547,027.89	\$ 23,547,027.89	\$ 25,187,278.23	\$ 378,127.96
Discount Notes	\$ 1,196,606,353.02	\$ 1,225,677,909.39	\$ 1,225,773,105.56	NA
Bankers Acceptances	\$ 280,692,045.13	\$ 285,117,615.01	\$ 285,168,195.83	NA
Corporate:				
Bonds	\$ 979,129,611.58	\$ 979,129,611.58	\$ 978,795,096.93	\$ 12,569,258.44
Floater	\$ 571,528,066.67	\$ 571,528,066.67	\$ 572,181,982.50	\$ 4,183,730.12
CDs	\$ 7,229,699,443.58	\$ 7,229,699,443.58	\$ 7,225,400,684.14	\$ 110,034,185.80
Bank Notes	\$ 1,425,000,000.00	\$ 1,425,000,000.00	\$ 1,424,757,095.50	\$ 22,071,111.10
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Time Deposits	\$ 1,416,390,000.00	\$ 1,416,390,000.00	\$ 1,416,390,000.00	NA
AB 55 & GF Loans	\$ 1,711,742,505.00	\$ 1,711,742,505.00	\$ 1,711,742,505.00	NA
Commercial Paper	\$ 8,994,653,173.34	\$ 9,053,551,835.95	\$ 9,054,110,091.13	NA
Reverse Repurchase	\$ (676,432,500.00)	\$ (676,432,500.00)	\$ (676,432,500.00)	(\$4,021,476.57)
TOTAL	\$ 32,837,150,781.17	\$ 33,004,712,525.79	\$ 33,010,164,323.86	\$ 238,010,969.43

Fair Value Including Accrued Interest \$ 33,248,175,293.29

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.000165182). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,003,303.64, or \$20,000,000.00 x 1.000165182.